

SURETY ESTIMATE UPDATE

United States Gypsum Company

Jumbo-Jensen Quarry M/041/008 Sevier County

Prepared by Utah Division of Oil, Gas & Mining

Last Update March 14, 1991

DESCRIPTION:

-Reclamation Estimate calculated in 1988-\$ on a per acre basis

-Mining Area: (111.4 acre) x (\$1,465/acre) = \$163,201

-Roads: (44.2 acre) x (\$685/acre) = \$30,277

-Total Reclamation Estimate in 1988-\$ = \$193,478

-Escalation factors through 1990 are actual Means Historical Cost Indices

		Jumbo-Jensen Quarry	
CALCULATIONS		ESCAL	BOND
	<u>YR</u>	<u>FACTOR</u>	<u>AMOUNT</u>
$F = P(1 + i)^{**n}$	1977	0.0870	0
	1978	0.0710	\$0
F = Future Sum	1979	0.0860	\$0
P = Present Sum	1980	0.0860	\$0
i = Escalation Factor	1981	0.0991	\$0
n = number of periods	1982	0.0940	\$0
	1983	0.0104	\$0
	1984	0.0092	\$0
	1985	0.0290	\$0
	1986	0.0210	\$0
	1987	0.0195	\$0
	1988	0.0181	\$193,478
	1989	0.0177	\$196,903
	1990	0.0077	\$198,419
Three Yr Average = 1.45%	1991	0.0145	\$201,296
Used to Project 5 Yrs	1992	0.0145	\$204,215
Into the Future	1993	0.0145	\$207,176
From the Year 1991	1994	0.0145	\$210,180
	1995	0.0145	\$213,227
	1996	0.0145	\$216,319

Updated Surety Amount Rounded (1996 \$) **\$216,300**

** Average \$1,390/acre **

NOTE: Previous Division estimate was \$216,700 (1993 \$)